THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (e) The installed capacity of the automotive tyres and tubes in the country is 175.54 lakh in numbers (as in 1986). The production of tyres in the year 1986 was 135 lakh numbers. The total requirement of tyres by 1989-90 is estimated at 23.293 million numbers for which an installed capacity of about 27 million numbers would be required on the basis of 85 per cent capacity utilisation. As against this, the total capacity installed and approved is of the order of 31 million numbers. Thus, adequate capacity has been sanctioned to meet the demand till the end of the 7th Five Year Plan. However, there are complaints regarding the formation of a cartel and adoption of the Restrictive Trade Practices on the part of the tyre manufacturers and that on account of these factors, market forces are not permitted to have a free play. The complaints are being investigated by the Monopolies and Restrictive Trade Practices Commission.

Government are of the view that encouragement of fresh capacity could increase the competition within the domestic market and check the alleged mal-practices on the part of the tyre manufacturers. The Government may consider import of tyres if the need arises.

Sick Industries in Private and Public Sector

362. SHRI SHANTI TYAGI: Will the Minister of INDUSTRY be pleased to state:

(a) the total number of sick industries in the private and public sectors at present and the amount of money blocked in them sectorwise; and

(b) the steps Government have taken or propose to take to eliminate sickness?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) Data on sick industrial units assisted by banks are compiled by the Reserve Bank of India as per the definition of sickness adopted by it. According to the latest data available from it, there were 1,19,606 sick industrial units in the country and an amount of Rs. 4270.93 crores was outstanding against them.

As regards the information on sick industries in the public sector, in the absence of definition of sickness in central public sector, a central public sector unit is treated as a sick unit, if it has been incurring losses continuously for five years. According to the survey conducted by the Bureau of Public Enterprises there were thirty eight units in the public sector which incurred losses continuously for the last five years ending 31-3-85. Details regarding the amounts invested therein and the accumulated losses are available in Public Enterprises Survey for 1984-85.

The Reserve Bank of India in consultation with the banks and financial institutions has evolved a mechanism for monitoring industrial sickness. The Government have also enacted a comprehensive legislation, namely 'The Industrial Companies (Special Provisions) Act, 1985' which provides for setting up of a quasi-judicial body known as the Board for Industrial & Financial Reconstruction with powers to consider suitable measures for speedy rehabilitation of potentially viable sick industrial companies. The BIFR has been constituted by the Government in January 1987.

The government monitor the performance of units in the public sector which make continuous losses and take remedial measures such as upgradation of technology, rehabilitation of plant and equipment etc., on the merits of each case.